APRIL/MAY 2025

23PCM22 — CORPORATE ACCOUNTING

Time : Three hours Maximum : 75 marks

SECTION A — (10 × 2 = 20 marks)

Answer ALL the questions.

1. Define debentures?
2. What is mean by Annuity?
3. Explain the double insurance.
4. What is valuation balance sheet?
5. Write a on Holding company.
6. Explain cost control,
7. What is significance of HRA?
8. Define a cost based method.
9. Write about a Accounting standards.
10. Define – Impairment of assets.

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SECTION B — (5 × 5 = 25 marks)

Answer ALL the questions.

11. (a) X Ltd took over the assets of Rs.3,50,000 from Y Ltd. for Rs.3,30,000.X Ltd paid the purchase price by issuing debentures of Rs,100 each at a premium of 10 %.Give the journal entries,

Or

(b) Difference between the shares and debentures.

12. (a) From the following figures appearing in the books of fire insurance division of a general company, show the amount of claim as it appear.

	Direct business	Re insurance
	Rs.	Rs.
Claims paid during 2005-06	4,670	700
Claims payable 1.4.2005	763	87
31.3.06	812	53
Claims received	–	230
Claim receivable 1.4.05	–	65
31.3.06	–	113
Expenses of management	–	230

Include Rs.35 Thousand surveyor 's fees and Rs.45 Thousand legal expense for settlement.

Or

(b) Difference between the Life insurance and General business.

18. Explain the Human resources valuation.

19. The summarized balance sheet of H Ltd and as on 31st Dec.

Liabilities	H.Ltd.	S.Ltd.	Assets	H.Ltd.	S.Ltd.
Share capital:			Sundry Assets	5,00,000	1,70,000
Shares of			8000 shares in		
Rs.10 each	5,00,000	1,00,000	s Ltd.	1,40,000	–
Reserves	80,000	30,000			
Profit and					
Loss A/c	60,000	40,000			
	6,40,000	1,70,000		6,40,000	1,70,000

S had the reserve of Rs.30,000 when H Ltd acquired the shares in S Ltd but the p & l a/c balance of S Ltd was fully earned after the purchase of shares,

Calculate the cost of control before issue of bonus shares and after the issue of bonus shares.

20. Types of levels an Accounting standards?

13. (a) X Ltd . purchased 750 shares in Y Ltd on 1.7.94. The following were their Balance sheet 31.12.94.

Liabilities	X Ltd	Y Ltd	Assets	X Ltd	L Ltd
Share capital :			Buildings	2,05,000	1,25,000
Shares of TS			Stock	1,00,000	80,000
100 each	3,00,000	1,00,000	Debtors	1,00,000	40,000
Gen reserve	1,00,000	70,000	Investment Y	1,00,000	–
Profit and loss			Bills receivable	40,000	45,000
A/c	1,00,000	60,000	Cash at bank	60,000	20,000
Creditors	80,000	40,000	Current account:		
Bill payable	50,000	20,000	Y Ltd	25,000	–
Current					
Account X Ltd	–	20,000			
	6,30,000	3,10,000		6,30,000	3,10,000

You are the prepare consolidated balance sheet of X Ltd and Y Ltd as o 31.12 .94

Or

(b) Describe the method of preparing consolidated profit and loss account.

14. (a) Explain the different value based method of valuing Human resources.

Or

(b) Zee Ltd purchased an offset printing machine from U.S.A.as cost of Rs. ,2,00,00,000, at an exchange rate of Rs. 45 per US doller on 1.1.2005, However on 31.12.2005, the exchange rate was Rs.47 per dollar and the full amount for the purchase was settled on that date.

15. (a) Define the depreciation in Account and Main features.

Or

(b) X Ltd. Which closes its books on 31.3 2006 request you to indicate how it should deal with the changes in accounting policies noted below.

(i) Method of valuation of inventories was changed from first in first out method to weighted average method during the year, resulting in additional inventory value of Rs.20 lakhs.

(ii) It was decided to provide for fall in the value of investments of Rs.80 lakhs in the current year over the past 4 years.

SECTION C — (3 × 10 = 30 marks)

Answer any THREE questions.

16. Give the format of statement of profit and loss account as per revised schedule vi.

17. From the following particulars relating to 'Z' insurance co Ltd prepare the Revenue A/c for the year ending 31.3.2005.

	Rs.		Rs.
Claim paid	4,80,000	Premium received	12,00,000
Claim outstanding on 1.4.04	4,000	Reinsurance premium paid	1,20,000
Claim intimated but not accepted	10,000	Commission	2,00,000
Claim intimated but and accepted	60,000	Commission reinsurance	10,000
Commission on reinsurance	5,000	Provision for risk	4,00,000
Expenses of management	3,05,000	Additional provision on 1.04.04	20,000
Bonus in reduction of premium	12,000		

You are required to provide for additional reserve for unexpired risk at 1% of the net premium to the opening balances.